

**CASE**

**NUMBER:**

99-012

IN THE MATTER OF THE PURCHASED WATER ADJUSTMENT OF PEAKS  
MILL WATER DISTRICT

SEQ NBR	ENTRY DATE	REMARKS
0001	01/07/99	Application.
0002	01/13/99	Acknowledgement letter.
M0001	01/20/99	NORTH SHELBYWATER CO WARNER GAINES-NOTICE TO CUSTOMERS OF WATER RATE ADJUSTMENT
0003	01/22/99	No def. letter
0004	02/02/99	FINAL ORDER APPROVING RATES; TARIFF SUBMITTED IS REJECTED AS FILED



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-012  
PEAKS MILL WATER DISTRICT

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on February 2, 1999.

Parties of Record:

Patsy Perkins  
Bookkeeper  
Peaks Mill Water District  
256 Perkins Road  
Frankfort, KY. 40601

*Stephan Bell*

Secretary of the Commission

SB/sa  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF )  
PEAKS MILL WATER DISTRICT ) CASE NO. 99-012

O R D E R

On January 7, 1999, Peaks Mill Water District ("Peaks Mill") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

In its application, Peaks Mill indicated that it purchased water from Frankfort Electric and Water Plant Board ("Frankfort Electric"), and that the rate charged by Frankfort Electric would increase from \$1.30 per 1,000 gallons to \$1.365 per 1,000 gallons. However, as shown in Frankfort Electric's notice to Peaks Mill, this is the rate for wholesalers who produce water. As Peaks Mill does not produce water, the current rate charged by Frankfort Electric is \$1.25 and the proposed rate is \$1.313. In addition to the rate charged by Frankfort Electric, Peaks Mill pays a \$0.05 Kentucky River Authority fee; therefore, Peaks Mill's current rate is \$1.30 and the new rate will be \$1.363. Staff has made these adjustments in the calculation of Peaks Mill's rates.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Peaks Mill purchases its water from Frankfort Electric.

2. Frankfort Electric increased the wholesale water rate charged to Peaks Mill from \$1.30 per 1,000 gallons to \$1.363 per 1,000 gallons purchased effective January 10, 1999.

3. During the 12 months ending November 30, 1998, Peaks Mill purchased 74,897,200 gallons of water and sold 55,752,000 gallons.

4. The increase in the cost of purchased water is \$4,718.52, resulting in a purchased water adjustment of \$0.08 per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Peaks Mill customer would increase \$0.40 from \$27.03 to \$27.43, or 1.5 percent.

5. The calculations and proposed tariff provided by Peaks Mill are incorrect and should be denied.

6. The purchased water adjustment of \$0.08 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.08 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after January 10, 1999.

2. The tariff submitted by Peaks Mill is hereby rejected as filed.

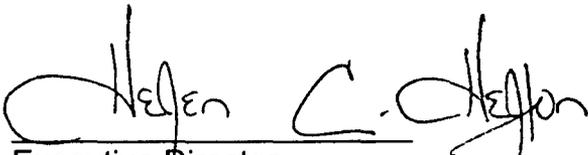
3. Within 20 days from the effective date of this Order, Peaks Mill shall file a copy of its revised tariff.

4. Within 20 days from the effective date of this Order, Peaks Mill shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 2nd day of February, 1999.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 99-012 DATED FEBRUARY 2, 1999

The following rates and charges are prescribed for the customers in the area served by Peaks Mill Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 Inch - 1 Inch Meter

First	2,000 gallons	\$15.16	Minimum bill
Next	1,000 gallons	4.09	per 1,000 gallons
Next	2,000 gallons	3.49	per 1,000 gallons
Over	5,000 gallons	2.29	per 1,000 gallons

1 1/2 Inch - 2 Inch Meter

First	113,000 gallons	\$194.56	per 1,000 gallons
Over	113,000 gallons	1.57	per 1,000 gallons

Form for filing Rate Schedules

For Northwest Franklin Co  
Community, Town or City

P.S.C. NO. 1

SHEET NO. 1

Peaks Mill Water District  
Name of Issuing Corporation

CANCELLING P.S.C. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

CLASSIFICATION OF SERVICE

			RATE PER UNIT
<u>Residential</u>			
<u>Per Month</u>			
First	2,000 gallons per month,	(minimum bill)	\$ 15.16 (I)
Next	1,000 gallons per month,	per 1,000 gallons	4.09 (I)
Next	2,000 gallons per month,	per 1,000 gallons	3.49 (I)
Over	5,000 gallons per month,	per 1,000 gallons	2.29 (I)
<u>Commercial</u>			
<u>Per Month</u>			
First	113,000 gallons per month	(minimum bill)	194.56 (I)
Over	113,000 gallons per month	per 1,000 gallons	1.57 (I)

DATE OF ISSUE \_\_\_\_\_

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY Arden L. Wright  
Name of Officer

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_.



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

January 22, 1999

Patsy Perkins  
Bookkeeper  
Peaks Mill Water District  
256 Perkins Road  
Frankfort, KY. 40601

RE: Case No. 99-012  
PEAKS MILL WATER DISTRICT

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

*Stephanie J. Bell*  
Stephanie Bell  
Secretary of the Commission

SB/sa  
Enclosure



99-012

RECEIVED  
JAN 20 1999  
PUBLIC SERVICE  
COMMISSION

CITY OF FRANKFORT, KY.

FRANKFORT ELECTRIC AND WATER PLANT BOARD

NOTICE TO CUSTOMERS

WATER RATE ADJUSTMENT

PUBLIC SERVICE COMMISSION

Pursuant to the Regulations of the Public Service Commission (Commission), the Frankfort Electric and Water Plant Board (FEWPB) gives Notice that it has filed a water rate increase for the Peaks Mill Water District, Farmdale Water District, North Shelby Water District, U.S. 60 Water District and Elkhorn Water District with the Commission. It proposes the rate listed below, which is approximately a 5% increase over the current rate to be effective January 10, 1999. Further information may be obtained from the Commission or the FEWPB. The rates proposed in this Notice may be modified by the Commission. Such action by the Commission may result in the rates being higher or lower than those proposed by the FEWPB.

Any corporation, association, body politic or person may by timely motion, within 30 days of this Notice, request intervention in this case. Intervention beyond the 30 day period may be granted for good cause shown. The Motion must be submitted to the Public Service Commission, 730 Schenkel Lane, Box 615, Frankfort, Ky. 40602 and should state the grounds for the request, including the interest and status of the party. Intervenors may obtain copies of the tariffs and proposed rates by contacting the FEWPB at the address below. A copy of the tariff is available for public review at the office of the FEWPB and at the Public Service Commission, 730 Schenkel Lane, Frankfort, Ky. 40601, (502) 564-3940.

Warner Caines  
General Manager  
317 W. Second St.  
Frankfort, KY 40601  
(502) 223-3401

Peaks Mill Water District  
Farmdale Water District  
U.S. 60 Water District

North Shelby Water District  
Elkhorn Water District

Current rate: \$1.25 per 1000 gallons  
Proposed rate: \$1.313 per 1000 gallons



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

January 13, 1999

Patsy Perkins  
Bookkeeper  
Peaks Mill Water District  
256 Perkins Road  
Frankfort, KY. 40601

RE: Case No. 99-012  
PEAKS MILL WATER DISTRICT  
(Rates - PWA)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received January 7, 1999 and has been assigned Case No. 99-012. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,  
*Stephanie Bell*

Stephanie Bell  
Secretary of the Commission

SB/jc





6. Purchased water adjustment factor .09.

The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.

Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.

7. Proposed effective date Jan. 1, 1999.

*Herlin L. Wright*  
(Signature of Utility Officer)

CHAIRMAN  
(Title)

P.S.C. KY. NO. 1

SHEET NO. \_\_\_\_\_

CANCELLING P.S.C. KY NO. 1

SHEET NO. \_\_\_\_\_

Peaks Mill Water District

CLASSIFICATION OF SERVICE

RATE  
PER UNIT

Residential

Per Month

First 2,000 gallons per month	(minimum bill)	\$ 15.18 (I)
Next 1,000 gallons per month	per 1,000 gallons	4.10 (I)
Next 2,000 gallons per month	per 1,000 gallons	3.50 (I)
Over 5,000 gallons per month	per 1,000 gallons	2.30 (I)

Commercial

Per Month

First 113,000 gallons per month	(minimum bill)	195.69 (I)
Over 113,000 gallons per month	per 1,000 gallons	1.58 (I)

DATE OF ISSUE \_\_\_\_\_  
MONTH DATE YEAR

DATE EFFECTIVE \_\_\_\_\_  
MONTH DATE YEAR

ISSUED BY Franklin L. Wright  
SIGNATURE OF OFFICER

TITLE CHAIRMAN

Issued by authority of an Order of the Public Service Commission of Kentucky in Ca  
No. \_\_\_\_\_ dated \_\_\_\_\_.